

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Office of the Assistant Secretary for Community Planning and Development

[Docket No. N-95-3877; FR-3855-N-01]

## NOFA for the John Heinz Neighborhood Development Program

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice of funding availability for Fiscal Year 1995.

**SUMMARY:** This NOFA announces the availability of \$4,750,000 in funding for the FY 1995 John Heinz Neighborhood Development Program. Interested persons should apply for FY 1995 program funds according to the procedures and requirements set out in this NOFA.

In the body of this NOFA is information concerning:

- (1) This year's round of funding for this program;
- (2) The purposes and objectives of the program;
- (3) The method of allocation and distribution of funds;
- (4) Eligibility requirements for neighborhood development organizations;
- (5) Eligible neighborhood development activities;
- (6) Selection criteria for the award of funds;
- (7) Application requirements for the funds;
- (8) Grantee reporting requirements; and
- (9) Other applicable administrative requirements associated with the program.

**DATES:** Applications may be requested beginning February 24, 1995. Completed applications must be submitted no later than 4:30 p.m. (Eastern Time), by the date specified in the application kit. The application deadline will be firm as to date and hour. In the interest of fairness to all competing applicants, the Department will treat as ineligible for consideration any application that is received after the deadline. Applicants should take this practice into account and make early submission of their materials to avoid any risk of loss of eligibility brought about by unanticipated delays or other delivery-related problems.

**ADDRESSES:** To obtain a copy of the application kit, call: American Communities at 1-800-998-9999, or fax your request to: (301) 251-5747 (this is

not a toll-free number). Speech- or hearing-impaired persons may request an application by contacting the TDD number: (202) 708-2565 (not a toll-free number), as listed under the **FOR FURTHER INFORMATION CONTACT** heading in this NOFA. Faxed requests for application kits must include the applicant's name, mailing address (including zip code), telephone number (including area code), and must refer to FR-3855. Completed applications may not be submitted by fax.

**FOR FURTHER INFORMATION CONTACT:** Ophelia Wilson or Gene Hix, Office of Community Planning and Development, Department of Housing and Urban Development, Room 7218, 451 Seventh Street, S.W., Washington, D.C. 20410; telephone number (202) 708-1189 and (202) 708-2565 (TDD). (These numbers are not toll-free.)

### SUPPLEMENTARY INFORMATION: Paperwork Reduction Act

The information collection requirements contained in this Notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1980. The control number for information collections described in this document is 2535-0084.

### I. Purpose and Substantive Description

#### A. Authority

Section 123 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 5318 note) (Section 123) authorized the John Heinz Neighborhood Development Program. For Fiscal Year 1995, a total of \$5 million has been appropriated for this program under the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1995 (Pub. L. 103-327, approved September 28, 1994).

Section 123(e)(6)(D) permits the Secretary of Housing and Urban Development (Secretary) to use no more than five percent of the funds appropriated for administrative or other expenses in connection with the program. The remaining funds are to be used to match monetary support raised over a one-year grant period from individuals, businesses, neighborhood development funding organizations, and nonprofit or other organizations located within established neighborhood boundaries. For purposes of this NOFA the term "neighborhood development funding organization" means:

- (1) A depository institution, the accounts of which are insured pursuant to the Federal Credit Union Act, and any subsidiary (as such term is defined

in section 3(w) of the Federal Deposit Insurance Act) thereof;

- (2) A depository institution holding company and any subsidiary (as such term is defined in section 3(w) of the Federal Deposit Insurance Act) thereof; or

- (3) A company at least 75 percent of the common stock of which is owned by one or more insured depository institutions or depository institution holding companies.

The purpose of the program is to support eligible neighborhood development activities using cooperative efforts and monetary contributions from local sources. The Federal funds are incentive funds to promote neighborhood development initiatives and to encourage neighborhood organizations to become more self-sufficient in their development activities. Not more than 50 percent of the 1995 awards may be to previous grantees in the program; the remaining awards will be made to organizations selected from among new applicants. Applications will be selected for funding on the basis of evaluation criteria that reflect the program purposes and priorities and are contained in this notice.

The objectives of the Neighborhood Development Program are:

- To help neighborhood development organizations increase their capacities to carry out larger or more complex activities, in cooperation with private and public institutions; and
- To assist neighborhood development organizations to achieve long-term financial support for their activities. The activities must benefit low-income persons within the neighborhood.

#### B. Allocation Amounts

The Department will make grants, in the form of matching funds, to eligible neighborhood development organizations. Under Section 123(e)(3), a grantee organization may receive no more than \$75,000 in Federal matching funds in a single program year. HUD reserves the right to make grants for less than the maximum amount. When the amount of funds requested is greater than the amount of funds appropriated, HUD also reserves the right to consider the degree an applicant has previously been funded under the John Heinz Program, and greater consideration may be given to those organizations which have received the least amount of funding under this program.

The amount of Federal matching funds that an applicant receives during the program year will depend in part upon the amount of monetary

contributions raised in the preceding quarter of the program year from individuals, businesses, neighborhood development funding organizations, and nonprofit and other organizations located within established neighborhood boundaries. Contributions attributable to organizations or persons not residing in or conducting business within the grantee's neighborhood, loans, in-kind services, contributions by owners of properties to be improved, fees for services, public funds, and any in-lieu-of-cash contributions cannot be used to match Federal funds. These contributions may, however, be used to carry out project activities. The neighborhood monetary contributions for matching purposes must be raised within the one-year grant period. However, grant activities may be programmed over a one- to three-year period.

A Federal matching ratio will be established for each participating applicant in accordance with the statutory requirement that the highest ratios be established for neighborhoods having the greatest degree of economic distress. Subject to the statutory maximum of \$75,000, the Federal match for this program year will range from one to six Federal dollars for each qualifying dollar raised by the grantee. Applications selected to receive Federal funds will be rank-ordered and the matching ratios will be determined in accordance with this criterion. The Department also reserves the right to fund applications, in other than rank order, on the basis of achieving geographic balance.

Any application selected for the award of Federal funds that proposed a matching funds ratio in excess of the ratio HUD determines for it will be offered an award of funds at the HUD determined ratio. However, any application selected for award that proposed a match below the maximum ratio HUD determines for it will be funded at the level proposed by the applicant.

Federal payments to participating neighborhood organizations will be made on a quarterly basis following receipt of quarterly performance and financial reports. The maximum Federal payment to an applicant will be governed by the amount of verified, qualifying monetary contributions received from local sources in the preceding quarter, multiplied by the matching funds ratio established for the neighborhood. Ten percent of the total grant award will be held pending receipt of the final report and close-out documentation.

### C. Eligibility

#### 1. Eligible Applicants—Definition

An eligible neighborhood development organization must be located in and serve the neighborhood for which assistance is to be provided. It cannot be a city-wide organization, a multi-neighborhood consortium, or, in general, an organization serving a large area of the city. The applicant must meet all of the following statutory requirements:

(a) The applicant must be incorporated as a private, voluntary, nonprofit corporation under the laws of the State in which it operates;

(b) The applicant must be responsible through a governing body to the residents of the neighborhood it serves. Not less than 51 percent of the members of the governing body must be residents of the neighborhood;

(c) The applicant must have conducted business for at least one year before the date of its application;

(d) The applicant must operate within an area that meets at least one of the following criteria:

(i) The area meets the requirements for Federal assistance under section 119 of the Housing and Community Development Act of 1974 (Urban Development Action Grants);

(ii) The area is designated as an empowerment zone or an enterprise community under Federal law;

(iii) The area is designated as an enterprise zone under State law, and is recognized by the Secretary as a State enterprise zone for purposes of this section; or

(iv) The area is a qualified distressed community within the meaning of section 233(b)(1) of the Bank Enterprise Act of 1991; and

(e) The applicant must have conducted one or more eligible neighborhood development activities that primarily benefit low-income persons, as defined in section 102(a)(20) of the Housing and Community Development Act of 1974. (In general, low-income residents means families and individuals whose incomes do not exceed 50 percent of the median income of the area involved.)

#### 2. Eligible Applicants—Other Threshold Requirements

In addition, an applicant must:

(a) Specify a business/management plan for accomplishing one or more of the activities listed in Section I.C(3), Eligible Activities, of this NOFA;

(b) Specify a strategy for achieving greater long-term private sector support, especially in cooperation with a neighborhood development funding

organization. An applicant that is otherwise eligible will be deemed to have the full benefit of the cooperation of a neighborhood development funding organization if the eligible applicant:

(i) Is located in an area described in paragraph (d) of Section I.C(1) of this NOFA (Eligible Applicants—Definition) that does not contain a neighborhood development funding organization; or

(ii) Demonstrates that it has been unable to obtain the cooperation of any neighborhood development funding organization in the area despite having made a good faith effort to obtain such cooperation; and

(c) Specifies a strategy for increasing the capacity of the applicant.

#### 3. Eligible Activities

Eligible activities include the following, but are not limited to the examples given:

(a) Developing economic development activities that include:

(i) Creating permanent jobs in the neighborhood; and

(ii) Establishing or expanding businesses within the neighborhood (such as a business incubator);

(b) Developing new housing, rehabilitating existing housing, or managing housing stock within the neighborhood;

(c) Developing delivery mechanisms for essential services that have lasting benefits to the neighborhood. Examples include fair housing counseling services, child care centers, youth training, and health services; or

(d) Planning, promoting, or financing voluntary neighborhood improvement efforts, such as, but not limited to:

(i) Establishing a neighborhood credit union, demolishing abandoned buildings, removing abandoned cars, and establishing an on-going street and alley cleanup program;

(ii) Strategic planning to integrate housing, economic development, essential services, the remediation of hazards (such as brownfields), and neighborhood urban design activities; and

(iii) Integrating neighborhood strategic planning or community-based projects into city- and metropolitan-wide planning or service delivery, as a means of establishing linkages with city and metropolitan planning, job markets, and service delivery mechanisms in other areas within the metropolitan region.

#### D. Selection Criteria/Ranking Factors

Applications will be evaluated on the basis of the following factors. In addition, two (2) bonus points will be added in determining the final score for an application submitted by an

applicant that is located in a Federal Empowerment Zone or Enterprise Community. Every applicant is encouraged to demonstrate how its program activities will enhance citizen involvement in the development of the locality's Consolidated Plan. Further, HUD is interested in supporting activities of applicants that have demonstrated capacity to engage citizens in planning and program implementation initiatives that benefit neighborhoods, but have not previously participated in this program.

(1) The degree of economic distress within the neighborhood served by the applicant and the extent to which the proposed activities will benefit persons of low-income residing in the neighborhood. The degree of economic distress is based on the percentage of poverty within the neighborhood area, as determined from the 1990 U.S. Census data. Applicants with the highest poverty level relative to their population will be given higher points. (25 points)

(2) The record of past performance and staff capability in carrying out one or more of the activities specified under Section I.C(3), Eligible Activities, of this NOFA, and in promoting fair housing, equal employment opportunity, and minority-owned business entrepreneurial opportunities. (20 points)

(3) The quality of the management/business plan submitted for accomplishing the activities proposed by the applicant, including the budget and budget narrative, fundraising plan and matching ratio, and evidence of a sound financial management system. (25 points)

(4) The extent of neighborhood residents' participation in the activities of the applicant; the level of coordination with local governments, which may be evidenced through a certification from the Chief Executive Officer of the unit of local government; and the extent of participation of a neighborhood development funding organization in the proposed activities. (20 points)

(5) The extent to which the applicant has developed a strategy to increase its capacity to carry out larger or more complex project activities and to address its long-term financial and organizational development needs. (10 points)

#### *E. Determination of Ratio for Federal Contribution*

The Secretary will determine the ratio by which Federal funds will be used to match monetary contributions made to each eligible applicant that is selected

for funding under this NOFA. The ratio will be based on the degree of economic distress. Neighborhoods indicating the greatest degree of economic distress will be assigned higher ratios under this factor than those with lesser degrees of economic distress.

#### *F. Environmental Reviews*

HUD will conduct the appropriate environmental review and comply with all the environmental requirements in 24 CFR Part 50 before award of a grant. Grantees will be expected to adhere to all assurances applicable to environmental concerns as contained in the RFGA and grant agreements.

### **II. Application Submissions Process**

#### *A. Obtaining Application*

For an application kit, call: American Communities at 1-800-998-9999 or fax your request to (301) 251-5747. (This is not a toll-free number). Speech- or hearing-impaired persons may request an application by contacting the TDD number: (202) 708-2565 (not a toll-free number), as listed under the "For Further Information Contact" heading in this NOFA.

Faxed requests for application kits must include the applicant's name, mailing address (including zip code), and telephone number (including area code), and must refer to FR-3855. The RFGA contains the application, forms, and other information regarding the application process and the administration of the program, including relevant provisions from OMB Circulars A-110 and A-122. (This NOFA summarizes major provisions of the RFGA.)

#### *B. Application Submission*

An original and three copies of an application must be submitted to: Processing and Control Branch, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7255, Washington, DC 20410. HUD will accept only one application per neighborhood organization. Responses to the application kit must be limited to 50 pages, single-spaced, exclusive of the following required forms: Cover Page, Standard Form-424, Assurance Form SF-424B, Applicant/Recipient Disclosure Update Report HUD-2880, Drug-Free Workplace Certification, Articles of Incorporation and Bylaws, Audit Report and Miscellaneous Materials. All pages and attachments must be numbered consecutively, in arabic numbers. Reviewers are not required to read beyond the 50-page maximum.

#### *C. Application Deadline*

Applications may be requested beginning February 24, 1995. Applications must be submitted no later than 4:30 p.m. (Eastern Time), by the date specified in the application kit. The application deadline will be firm as to date and hour. In the interest of fairness to all competing applicants, the Department will treat as ineligible for consideration any application that is received after the deadline. Applicants should take this practice into account and make early submission of their materials to avoid any risk of loss of eligibility brought about by unanticipated delays or other delivery-related problems.

### **III. Checklist of Application Submission Requirements**

#### *A. Preapplication Determination of Eligibility*

Before preparing an application, the applicant should carefully check the eligibility requirements described in Section I.C, Eligibility, of this NOFA. Applicants that are uncertain whether the city or urban county in which they are located meets the current minimum standards of physical and economic distress (used in determining which cities and urban counties were potentially eligible applicants under the Urban Development Action Grant Program) are advised to consult the following two notices published by the Department in the **Federal Register**: (1) "Urban Development Action Grant: Revised Minimum Standards for Small Cities" (52 FR 37876, October 9, 1987); and (2) "Urban Development Action Grant: Revised Minimum Standards for Large Cities and Urban Counties" (52 FR 38174, October 14, 1987).

Any applicant that needs additional help in determining its eligibility should contact the nearest Department of Housing and Urban Development Field Office (Community Planning and Development Division). If assistance is needed, the city or county community development office serving a neighborhood organization should be able to provide an applicant with the HUD Field Office contact number. If unable to obtain a local contact, the HUD Headquarters contact for this information is Mrs. Stella Hall, telephone number (202) 708-2186, or contact the TDD number: (202) 708-0564. (These are not toll free numbers.)

#### *B. Application Checklist*

Each application must contain the following, as required by the RFGA.

(1) A signed copy of Standard Form SF-424;

(2) An abstract describing, among other things, the applicant and its achievements, the proposed project, its intended beneficiaries, its projected impact on the neighborhood, and the manner in which the proposed project will be carried out;

(3) A completed fact sheet that lists neighborhood and organizational characteristics;

(4) Evidence that the applicant meets eligibility criteria and provides the following data:

(a) A city map, with street names, delineating the applicant's neighborhood boundaries and indicating where project activities will take place;

(b) Census tract, block, or enumeration district references and zip code references must also be delineated on the map or on other maps submitted;

(c) Census data on the size of the neighborhood population, including the number of low-income persons and the size of the minority population, broken down by ethnic, racial, and gender composition;

(d) A copy of the applicant organization's corporate charter, along with the incorporation papers, bylaws, and a statement of purpose;

(e) A list of the names of the neighborhood governing board members and their addresses (with zip codes) to show that at least 51% reside in the neighborhood. Indicate those who reside in the neighborhood separately from those who conduct business in the neighborhood;

(f) Identification of the applicant organization's past and current neighborhood projects, including those projects that are eligible neighborhood development activities as defined in Section I.C(3), Eligible Activities, of this NOFA;

(g) A description of the means by which the governing board members account to residents of the neighborhood, including the method and frequency of selection of members of the governing board, the consultation process with residents, the frequency of meetings, and a statement showing how the board is representative of the demographics of the neighborhood (i.e., a breakdown by tenants, homeowners, race, sex, ethnic composition, etc.);

(h) Evidence of the applicant's sound financial management system, determined from its financial statements or audits;

(i) A letter from the Chief Executive Officer of the unit of general local government in which assisted activities are to be carried out, certifying that the activities are consistent with the

Consolidated Plan of the jurisdiction to be served.

(j) Evidence of cooperation with a neighborhood development funding organization. In lieu of this participation, evidence may be presented that the applicant:

(i) Has no neighborhood development funding organization within the applicable boundaries; or

(ii) Has been unsuccessful, despite having made a good faith effort, in obtaining this participation.

(k) A certification that the applicant will comply with the requirements of Federal law governing the application, acceptance, and use of Federal funds;

(l) A narrative statement defining how neighborhood matching funds will be raised and their anticipated sources; what neighborhood development activities will be funded; and a strategy for achieving greater long-term private sector support;

(m) A project management plan, including a schedule of tasks for both fund raising and project implementation;

(n) A project budget and budget narrative; and

(o) A certification that a potential grantee will comply with the drug-free workplace requirements in accordance with 24 CFR part 24, subpart F; and

(5) *Equal Opportunity Requirements.* The neighborhood development organization must certify that it will carry out activities assisted under the program in compliance with:

(a) The requirements of the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations at 24 CFR parts 100, 108, 109, 110, and 115; part 200, Subpart M; and Executive Order 11063 (Equal Opportunity Housing implementing regulations at 24 CFR Part 107; and Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d)

(Nondiscrimination in Federally Assisted Programs) and implementing regulations issued at 24 CFR part 1;

(b) The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR part 146; the prohibition against discrimination against individuals with a disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; and the requirements of Executive Order 11246 and the implementing regulations issued at 41 CFR chapter 60;

(c) The requirements of section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u and implementing regulations at 24 CFR part 135; and

(d) The requirements of Executive Orders 11625, 12432, and 12138.

Consistent with HUD's responsibilities under these Orders, the grantee must make efforts to encourage the use of minority and women's business enterprises in connection with activities funded under this notice.

(e) The prohibitions against discrimination and related requirements of section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5309).

(f) The requirement of the Americans with Disabilities Act (42 U.S.C. 12181-12189) and implementing regulations at 28 CFR part 36, as applicable.

#### IV. Corrections to Deficient Applications

After the submission deadline date, HUD will screen each application to determine whether it is complete. If an application lacks certain technical items or contains a technical error, such as an incorrect signatory, HUD will notify the applicant in writing that it has 14 calendar days from the date of HUD's written notification to cure the technical deficiency. If the applicant fails to submit the missing material within the 14-day cure period, HUD will disqualify the application.

This 14-day cure period applies only to nonsubstantive deficiencies or errors. Deficiencies capable of cure will involve only items not necessary for HUD to assess the merits of an application against the factors specified in this NOFA.

Examples of deficiencies that may be cured are:

- Omitted or improper signatures;
- Omitted certifications or assurances; and
- Omitted financial statements or audits.

#### V. Other Matters

##### A. Reporting Requirements

In addition to complying with relevant provisions of OMB Circulars A-110 and A-122, grantees will be required to submit quarterly performance and financial reports. These reports should inform HUD of any changes that may affect the outcome of the program, such as changes in any of the following: the governing board membership, staffing, working relationships with local government and private organizations, fund raising activities, volunteer efforts, the management plan, and the budget. The quarterly reports must also verify the amount of monetary contributions received from within the neighborhood, as a basis for Federal disbursement of

matching funds. Grantees must certify that none of the monetary contributions originated through public funding sources.

Grantees will be required also to submit a final report at the completion of the grant period. Ten (10) percent of the total grant amount will be held until a final report and close-out documents are received from the grantee. This final report must describe fully the successes and failures associated with the project, including the reasons for the successes and failures. It should also describe possible improvements in the methods used. The quarterly and final reports will be used for evaluation purposes, reports to the Congress on the program, and a report on successful projects that will be distributed to other neighborhood organizations.

#### *B. Other Federal Requirements*

In addition to the Equal Opportunity Requirements set forth in Section III.B(4) of this NOFA, grantees must comply with the following requirements:

(1) *Ineligible contractors.* The provisions of 24 CFR part 24 relating to the employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status.

(2) *Flood insurance.* No building proposed for acquisition, construction, reconstruction, repair, or improvement to be assisted under this program may be located in an area that has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless the community in which the area is situated is participating in the National Flood Insurance Program (implemented in regulations at 44 CFR parts 59–79), or less than a year has passed since FEMA notification regarding such hazards, and the grantee ensures that flood insurance on the structure is obtained in compliance with section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.).

(3) *Lead-based paint.* The requirements, as applicable, of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821–4846), and implementing regulations at 24 CFR part 35.

(4) *Applicability of OMB Circulars.* The policies, guidelines, and requirements of OMB Circular Nos. A–110 and A–122 with respect to the acceptance and use of assistance by private nonprofit organizations.

(5) *Relocation and Real Property Acquisition.* The Uniform Relocation

Assistance and Real Property Acquisition Policies Act of 1970 (URA), 49 CFR part 24, and HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition, apply to the acquisition of real property for an assisted project and the displacement of any person (households, business, nonprofit organization, or farm) as a direct result of acquisition, rehabilitation, or demolition for the HUD-assisted project.

(6) *Certifications.* In the absence of independent evidence that tends to challenge in a substantial manner the certifications made by the applicant, the required certifications will be accepted by HUD. However, if independent evidence is available, HUD may require further information or assurances to be submitted in order to determine whether the applicant's certifications are satisfactory.

#### *C. National Environmental Policy Act*

A finding of no significant impact with respect to the environment has been made in accordance with HUD regulations in 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969. (42 U.S.C. 4332). The finding of no significant impact is available for public inspection and copying Monday through Friday during regular business hours at the Office of the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410.

#### **Executive Order 12612, Federalism**

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, *Federalism*, has determined that the policies contained in this notice will not have substantial direct effects on states or their political subdivisions, or the relationship between the federal government and the states, or on the distribution of power and responsibilities among the various levels of government. As a result, the notice is not subject to review under the order. The notice announces incentive funds to encourage neighborhood organizations to become more self-sufficient in their development activities.

#### *E. Executive Order 12606, the Family*

The General Counsel, as the Designated Official under Executive Order 12606, *The Family*, has determined that this notice has potential for a significant impact on family formation, maintenance, and general well-being. The purpose of the notice is to provide funding to improve

neighborhood opportunities relating to employment, business, housing, and the provision of essential services, all of which could benefit families significantly. However, because the impact on families would be indirect and would be beneficial, no further review is considered necessary.

#### *F. Section 102 HUD Reform Act: Documentation and Public Access Requirements*

HUD will ensure that documentation and other information regarding each application submitted pursuant to this NOFA are sufficient to indicate the basis upon which assistance was provided or denied. This material, including any letters of support, will be made available for public inspection for a five-year period beginning not less than 30 days after the award of the assistance. Material will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 15. In addition, HUD will include the recipients of assistance pursuant to this NOFA in its **Federal Register** notice of all recipients of HUD assistance awarded on a competitive basis. (See 24 CFR 12.14(a) and 12.16(b), and the notice published in the **Federal Register** on January 16, 1992 (57 FR 1942), for further information on these requirements.)

#### *G. Section 103 of the HUD Reform Act*

HUD's regulation implementing section 103 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3537a) was published on May 13, 1991 (56 FR 22088) and became effective on June 12, 1991. That regulation, codified as 24 CFR part 4, applies to the funding competition announced today. The requirements of the rule continue to apply until the announcement of the selection of successful applicants.

HUD employees involved in the review of applications and in the making of funding decisions are restrained by part 4 from providing advance information to any person (other than an authorized employee of HUD) concerning funding decisions, or from otherwise giving any applicant an unfair competitive advantage. Persons who apply for assistance in this competition should confine their inquiries to the subject areas permitted under 24 CFR part 4.

Applicants who have questions should contact the HUD Office of Ethics (202) 708–3815 (voice/TDD). (This is not a toll-free number.) The Office of Ethics can provide information of a general nature to HUD employees, as

well. However, a HUD employee who has specific program questions, such as whether particular subject matter can be discussed with persons outside the Department, should contact his or her Field Office Counsel, or Headquarters counsel for the program to which the question pertains.

*H. Section 112 of the Reform Act*

Section 13 of the Department of Housing and Urban Development Act (42 U.S.C. 3537b) contains two provisions dealing with efforts to influence HUD's decisions with respect to financial assistance. The first imposes disclosure requirements on those who are typically involved in these efforts—those who pay others to influence the

award of assistance or the taking of a management action by the Department and those who are paid to provide the influence. The second restricts the payment of fees to those who are paid to influence the award of HUD assistance, if the fees are tied to the number of housing units received or are based on the amount of assistance received, or if they are contingent upon the receipt of assistance.

Section 13 has been implemented by 24 CFR part 86. If readers are involved in any efforts to influence the Department in these ways, they are urged to read part 86, particularly the examples contained in Appendix A of that part.

Any questions about the rule should be directed to the Office of Ethics, room 2158, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410-3000. Telephone: (202) 708-3815 (voice/TDD) (This is not a toll-free number.) Forms necessary for compliance with the rule may be obtained from the local HUD office.

**Authority:** 42 U.S.C. 5318 note and 3535(d).

Dated: February 17, 1995.

**Andrew Cuomo,**  
*Assistant Secretary for Community Planning  
and Development.*

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